

## ADDENDUM 2

The following Addendum 2 is an integral part of that REAL PROPERTY PURCHASE AND SALE AGREEMENT ("PSA") dated 8-6-2024, and Addendum 1, between City of Lake Forest Park, a Washington State municipal corporation (the "City" and "Buyer") and Marilyn Jean Rose, a single woman, as her separate estate, ("Rose" and "Seller"), collectively referred to as the Parties.

The parties agree that this Addendum 2 modifies and amends the PSA and Addendum 1 as follows:

1. **Insurance.** Paragraph# 3 of the Addendum 1 provides as follows:

"3. Insurance. Seller does not agree to Paragraph 5.2 of the PSA, which provides the obligation of Seller for insurance during the Life Estate. The PSA is contingent on the Parties agreeing prior to closing on an acceptable insurance policy for Seller to carry during the Life Estate. Seller shall attempt in good faith to obtain a policy for the duration of the Life Estate on the full value of the Lot 35 (and lot 34) home, improvements, personal property, and personal liability similar to what Seller has right now, with Safeco Insurance company (current policy company). If this contingency is not satisfied, the PSA shall terminate, earnest money shall be refunded to Buyer, and neither Party will have any further obligation under the PSA."

Seller has attempted in good faith to obtain insurance as requested by Buyer on the life estate that seller has following closing of this transaction. Seller, and its agents, have taken the following steps:

- a. Asked a local State Farm insurance broker whether they would issue such a policy and they have answered in the negative, that they would not issue any such policy.
- b. Seller's agents have asked the current insurance company (Safeco) to consider issuing such a policy, after providing a copy of the PSA and Addendum 1 to the company for review and consideration. Safeco has taken the position that the Seller does not retain/have a property interest (ie. Life Estate, not an insurable property interest and therefore could not and would not issue policies around that). And Safeco also declined to issue any type of commercial policy, since the Sellers retention of a life estate for residential purposes does not constitute "commercial" use. The best that Safeco was/is willing to offer is a tenant type policy that provides limited coverage to Seller for being injured on the property (the household structure) and some limited liability insurance for harm coming from Seller to third parties who come onto the structure portion (not applicable to the real property portion of the property). Safeco will not offer insurance to Seller for the life estate insuring the full value of the home, on lot 34 & 35, or any improvements thereon. Safeco will offer some limited coverage for the tangible personal property contents that Seller will use at the subject property.
- c. Based on all this, Seller has requested that Safeco **issue a preliminary policy** that Seller can retain for post closing and while maintaining the use of such a life estate after the closing until Seller no longer has a life estate (and to the extent possible, to cover the

tangible personal property for up to 6 months after the life estate has terminated). We are enclosing a copy of such preliminary insurance policy as **Exhibit A**, that Seller will obtain and maintain while owning the use of such life estate (so long as Safeco is willing to issue such policy). The parties agree that having this policy satisfies this insurance provision in this transaction and the parties waive any other insurance requirements in this transaction.

2. **Indemnification / Hold Harmless.** Rose shall defend, indemnify and hold harmless the City its officers, officials, employees and volunteers from and against any and all claims, suits, actions, or liabilities for injury or death of any person, or for loss or damage to property, which arises out of Rose's use of the real property and appurtenances comprising the Life Estate as described in Addendum 1 ("Life Estate Property"), or from any activity, work or thing done, permitted, or suffered by Rose on the Life Estate Property, except only such injury or damage as shall have been occasioned by the negligence of the City. This clause and Section 5. of the Agreement as amended in Addendum 1 and Addendum 2 regarding the Life Estate shall survive Closing.

3. **Addendum Controls.** All other terms of the original PSA agreement and Addendum 1 shall be in full force and effect except to the extent as amended or added to by this Addendum 2. Where a conflict arises between this Addendum and the prior agreement and/or addendums, the terms of this Addendum 2 shall control.

 DATED: 6 Sept 2024  
Marilyn Jean Rose  
Seller

\_\_\_\_\_  
City of Lake Forest Park  
Mayor: Thomas French

DATED: \_\_\_\_\_

# Exhibit A

## MARILYN, here's your renters insurance quote.



Date prepared  
08/22/2024

Proposed policy period  
09/15/2024 to 09/15/2025

Call or email me to purchase this policy.  
ASSUREDPARTNERS OF WA LLC  
1325 4TH AVE STE 2100  
SEATTLE, WA 98101-2572  
425-885-2283  
rhudson@filerinsurance.com  
www.assuredpartners.com/redmond

Prepared for  
MARILYN ROSE  
19001 40TH PL NE  
LAKE FOREST PARK, WA 98155-28192819

Property address  
19001 40TH PL NE  
LAKE FOREST PARK, WA 98155-

**Your total 12-month Safeco policy premium: \$383.00**

Your coverages	Personal property (coverage C)	Loss of use (coverage D)	Personal liability (coverage E)	Medical payments (coverage F)
Limit	\$150,000	12 Months	\$500,000	\$10,000

Other and optional coverages	Limit/Ded	Premium
N - Earthquake	20%	\$123.00
Identity Recovery Coverage	Yes	\$12.00
Full Value on Personal Property	Yes	Included
<b>Total</b>		<b>\$135.00</b>

Your discounts      Renewal

Premium Summary	Premium
Your Coverages	\$250.00
Other and optional coverages	\$135.00
Your discounts	-\$2.00
<b>Your total 12-month Safeco policy premium</b>	<b>\$383.00</b>

Your deductibles	Amount
All Perils Deductible	\$1,000.00

The deductible is the amount you'll pay out of pocket for a covered loss. For example, if your covered loss is \$10,000 and your deductible is \$1,000, your claims payment would be \$9,000. Higher deductibles generally result in lower premiums but will cost you more out of pocket.

Payment plan options	Down payment	Includes installment fee of	Remaining payments	Total due
Paid in full	\$383.00	\$0.00	None	\$383.00
Monthly EFT	\$33.92	\$2.00	11 at \$33.92	\$407.00
Monthly recurring credit card	\$36.92	\$5.00	11 at \$36.92	\$443.00

Additional payment plans are available. Ask your independent Safeco agent for details.

Exhibit A

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